

Union Calendar No. 444

103D CONGRESS
2D SESSION

H. R. 4665

[Report No. 103-798]

A BILL

To amend the Alaska Native Claims Settlement
Act, and for other purposes.

OCTOBER 3, 1994

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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To amend the Alaska Native Claims Settlement Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 1994

Mr. YOUNG of Alaska introduced the following bill; which was referred to the
Committee on Natural Resources

OCTOBER 3, 1994

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on June 28, 1994]

A BILL

To amend the Alaska Native Claims Settlement Act, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PURCHASE OF SETTLEMENT COMMON STOCK**
2 **OF COOK INLET REGION.**

3 (a) *IN GENERAL.*—Section 7(h) of the Alaska Native
4 Claims Settlement Act (43 U.S.C. 1606(h)) is amended by
5 adding at the end the following new paragraph:

6 “(4)(A) As used in this paragraph, the term ‘Cook
7 Inlet Regional Corporation’ means Cook Inlet Region, In-
8 corporated.

9 “(B) The Cook Inlet Regional Corporation may, by an
10 amendment to its articles of incorporation made in accord-
11 ance with the voting standards under section 36(d)(1), pur-
12 chase Settlement Common Stock of the Cook Inlet Regional
13 Corporation and all rights associated with the stock from
14 the shareholders of Cook Inlet Regional Corporation in ac-
15 cordance with any provisions included in the amendment
16 that relate to the terms, procedures, number of offers to pur-
17 chase, and timing of offers to purchase.

18 “(C) Subject to subparagraph (D), and notwithstand-
19 ing paragraph (1)(B), the shareholders of Cook Inlet Re-
20 gional Corporation may, in accordance with an amendment
21 made pursuant to subparagraph (B), sell the Settlement
22 Common Stock of the Cook Inlet Regional Corporation to
23 itself.

24 “(D) No sale or purchase may be made pursuant to
25 this paragraph without the prior approval of the board of
26 directors of Cook Inlet Regional Corporation. Except as

1 *provided in subparagraph (E), each sale and purchase*
2 *made under this paragraph shall be made pursuant to an*
3 *offer made on the same terms to all holders of Settlement*
4 *Common Stock of the Cook Inlet Regional Corporation.*

5 “(E) To recognize the different rights that accrue to
6 any class or series of shares of Settlement Common Stock
7 owned by stockholders who are not residents of a Native
8 village (referred to in this paragraph as ‘non-village
9 shares’), an amendment made pursuant to subparagraph
10 (B) shall authorize the board of directors (at the option of
11 the board) to offer to purchase—

12 “(i) the non-village shares, including the right to
13 share in distributions made to shareholders pursuant
14 to subsections (j) and (m) (referred to in this para-
15 graph as ‘nonresident distribution rights’), at a price
16 that includes a premium, in addition to the amount
17 that is offered for the purchase of other village shares
18 of Settlement Common Stock of the Cook Inlet Re-
19 gional Corporation, that reflects the value of the non-
20 resident distribution rights; or

21 “(ii) non-village shares without the nonresident
22 distribution rights associated with the shares.

23 “(F) Any shareholder who accepts an offer made by
24 the board of directors pursuant to subparagraph (E)(ii)

1 *shall receive, with respect to each non-village share sold by*
2 *the shareholder to the Cook Inlet Regional Corporation—*

3 *“(i) the consideration for a share of Settlement*
4 *Common Stock offered to shareholders of village*
5 *shares; and*

6 *“(ii) a security for only the nonresident rights*
7 *that attach to such share that does not have attached*
8 *voting rights (referred to in this paragraph as a ‘non-*
9 *voting security’).*

10 *“(G) An amendment made pursuant to subparagraph*
11 *(B) shall authorize the issuance of a non-voting security*
12 *that—*

13 *“(i) shall, for purposes of subsections (j) and*
14 *(m), be treated as a non-village share with respect*
15 *to—*

16 *“(I) computing distributions under such*
17 *subsections; and*

18 *“(II) entitling the holder of the share to the*
19 *proportional share of the distributions made*
20 *under such subsections;*

21 *“(ii) may be sold to Cook Inlet Region, Inc.; and*

22 *“(iii) shall otherwise be subject to the restrictions*
23 *under paragraph (1)(B).*

1 “(H) Any shares of Settlement Common Stock pur-
2 chased pursuant to this paragraph shall be canceled on the
3 conditions that—

4 “(i) non-village shares with the nonresident
5 rights that attach to such shares that are purchased
6 pursuant to this paragraph shall be considered to
7 be—

8 “(I) outstanding shares; and

9 “(II) for the purposes of subsection (m),
10 shares of stock registered on the books of the Cook
11 Inlet Regional Corporation in the names of non-
12 residents of villages;

13 “(ii) any amount of funds that would be distrib-
14 utable with respect to non-village shares or non-voting
15 securities pursuant to subsection (j) or (m) shall be
16 distributed by Cook Inlet Regional Corporation to it-
17 self; and

18 “(iii) village shares that are purchased pursuant
19 to this paragraph shall be considered to be—

20 “(I) outstanding shares, and

21 “(II) for the purposes of subsection (k)
22 shares of stock registered on the books of the Cook
23 Inlet Regional Corporation in the names of the
24 residents of villages.

1 “(I) Any offer to purchase Settlement Common Stock
2 made pursuant to this paragraph shall exclude from the
3 offer—

4 “(i) any share of Settlement Common Stock held,
5 at the time the offer is made, by an officer (including
6 a member of the board of directors) of Cook Inlet Re-
7 gional Corporation or a member of the immediate
8 family of the officer; and

9 “(ii) any share of Settlement Common Stock held
10 by any custodian, guardian, trustee, or attorney rep-
11 resenting a shareholder of Cook Inlet Regional Cor-
12 poration in fact or law, or any other similar person,
13 entity, or representative.

14 “(J)(i) The board of directors of Cook Inlet Regional
15 Corporation, in determining the terms of an offer to pur-
16 chase made under this paragraph, including the amount
17 of any premium paid with respect to a non-village share,
18 may rely upon the good faith opinion of a recognized firm
19 of investment bankers or valuation experts.

20 “(ii) Notwithstanding any other provision of law, Cook
21 Inlet Regional Corporation, a member of the board of direc-
22 tors of Cook Inlet Regional Corporation, and any firm or
23 member of a firm of investment bankers or valuation ex-
24 perts who assists in a determination made under this sub-
25 paragraph shall not be liable for damages resulting from

1 *terms made in an offer made in connection with any pur-*
2 *chase of Settlement Common Stock if the offer was made—*

3 *“(I) in good faith;*

4 *“(II) in reliance on a determination made pur-*
5 *suant to clause (i); and*

6 *“(II) otherwise in accordance with this para-*
7 *graph.*

8 *“(K) The consideration given for the purchase of Set-*
9 *tlement Common Stock made pursuant to an offer to pur-*
10 *chase that provides for such consideration may be in the*
11 *form of cash, securities, or a combination of cash and secu-*
12 *rities, as determined by the board of directors of Cook Inlet*
13 *Regional Corporation, in a manner consistent with an*
14 *amendment made pursuant to subparagraph (B).*

15 *“(L) Sale of Settlement Common Stock in accordance*
16 *with this paragraph shall not diminish a shareholder’s sta-*
17 *tus as an Alaska Native or descendant of a Native for the*
18 *purpose of qualifying for those programs, benefits and serv-*
19 *ices or other rights or privileges set out for the benefit of*
20 *Alaska Natives and Native Americans. Proceeds from the*
21 *sale of Settlement Common Stock shall not be excluded in*
22 *determining eligibility for any needs-based programs that*
23 *may be provided by Federal, State or local agencies.”.*

1 (b) *CONFORMING AMENDMENT.*—Section 8(c) of such
2 Act (43 U.S.C. 1607(c)) is amended by striking “(h)” and
3 inserting “(h) (other than paragraph (4))”.